

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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DAVID LEAPARD and IMF FINANCE SA on their :  
own behalf and on behalf of all others similarly situated, :

Plaintiffs, :

v. :

ALLEN T.Y. CHAN, *et al.*, :

Defendants. :

Case No. 1:12-cv-01726 (AT) (KNF)

STATUS REPORT

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Pursuant to the Court’s Order dated December 26, 2017, (Dkt. No. 74), Lead Plaintiffs David Leopard, IMF Finance SA, and Myong Hyon Yoo (“Lead Plaintiffs”) respectfully submit this update to the prior case status report in the above-captioned action (the “Action”).

WHEREAS, the Action currently pending in this Court is stayed in lieu of parallel ongoing class action proceedings in Ontario and Quebec and ongoing insolvency proceedings in Ontario (the “Canadian Actions”);

WHEREAS, Lead Plaintiffs previously filed status reports with the Court regarding ongoing developments with respect to this Action, including the latest Status Report dated December 19, 2017 (Dkt. No. 73) (the “Status Report”);

WHEREAS, on March 30, 2012, and in response to the parallel Canadian Actions and this Action, Sino-Forest Corporation (“Sino-Forest”) sought and was granted protection from its creditors (the “Canadian Insolvency”) pursuant to the Canadian Companies’ Creditors Arrangement Act, resulting in an automatic stay of this Action and the Canadian Actions, subject to the Plan of Compromise and Reorganization approved on December 12, 2012 by the

Honorable Geoffrey B. Morawetz, the Ontario Superior Court judge presiding over the Canadian Actions;

WHEREAS, on February 4, 2013, Sino-Forest sought recognition of its Canadian Insolvency in the U.S. by commencing an action pursuant to Chapter 15 of the United States Bankruptcy Code in the United States Bankruptcy Court, Southern District of New York, entitled *In re Sino-Forest Corp.*, No. 13-10361 (S.D.N.Y. Bankr. Feb. 4, 2013) (the “U.S. Bankruptcy Action”) which action was recently terminated;

WHEREAS, on June 9, 2015, Lead Plaintiffs advised the Court in Lead Plaintiffs’ periodic Status Report (Dkt. No. 50) that, given the ongoing parallel proceedings in the Canadian Insolvency and Canadian Actions, continuance of the voluntary stay in this Action was both reasonable and necessary to avoid duplication of effort and expense;

WHEREAS, the Court granted continuance of the stay on June 10, 2016 (Dkt. No. 51);

WHEREAS, at various times settlements have been reached with certain Defendants through coordinated proceedings between the Canadian Actions and this Action, which resulted in the dismissal of most of the Defendants in this Action, and such settlements were accordingly recognized in the U.S. Bankruptcy Action and by this Court as described in the relevant Status Reports (*see also* Dkt. Nos. 45, 55, 59, 69, 71, and 73);

LEAD PLAINTIFFS HEREBY INFORM THE COURT OF THE FOLLOWING DEVELOPMENTS REGARDING SINO-FOREST’S INSOLVENCY PROCEEDINGS AND THE CANADIAN ACTIONS:

1. Since the last Status Report, counsel for the Lead Plaintiffs in this Action have consulted with Canadian class counsel regarding the status of the Canadian Action against the remaining individual defendant (Chan). As he is expected to be dismissed from the Canadian class action shortly, we intend to terminate the U.S Action within the next 30 days;

2. Accordingly, continuing the stay will conserve the resources of all parties and the Court until completion of the proceedings in the Canadian Actions and the Canadian Insolvency; and

3. Counsel is available at the Court's convenience should it have any questions.

Dated: March 19, 2018

Respectfully submitted,

**COHEN MILSTEIN SELLERS  
& TOLL PLLC**

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***Attorneys for Lead Plaintiffs and the  
Proposed Class***